

SJL OF PENNSYLVANIA LICENSE SUBSIDIARY, LLC
3514 State Street
Erie, PA 16508

June 30, 2006

BY ECFS AND MESSENGER

Federal Communications Commission
Mass Media Services
P. O. Box 358165
Pittsburgh, PA 15251-5165

Re: Station WICU-DT (Facility ID #24970), Erie, PA: Request for Waiver of Interference Protection Deadline for Digital Facilities (Pursuant to Report and Order in MB Docket No. 03-15) and Request for Extension of Special Temporary Authorization for Digital Television Operations

Ladies and Gentlemen:

SJL of Pennsylvania License Subsidiary, LLC ("SJL"), licensee of station WICU-TV, Erie, PA and permittee of station WICU-DT, Erie, PA, hereby requests a waiver of the July 1, 2006 replication/maximization interference protection deadline, and a corresponding extension of its current grant of Special Temporary Authorization (BEDSTA-20051221ARG) ("STA") to continue to operate the facilities of digital television station WICU-DT in accordance with the technical specifications of the granted STA.

Due to circumstances beyond its control, SJL will not be able to complete construction of facilities for WICU-DT that will meet the requirements of paragraph 78 of the *Second DTV Periodic Review Report and Order* ("Paragraph 78 Facilities") by the July 1, 2006 replication/maximization interference protection deadline established by the Commission. Although the station currently has positive cash flow, it does not have sufficient cash flow to fund construction of Paragraph 78 Facilities, which SJL estimates would cost approximately \$960,000.¹ As a result, SJL would have to finance the construction of WICU-DT's Paragraph 78 Facilities through borrowing. However, under its current credit facility, SJL no longer has the capacity to make further borrowings without causing a violation of its covenants under that facility.² The credit facility also restricts SJL's ability to incur debt from other sources.

¹ WICU had Net Operating Losses of \$312,775 for calendar year 2005.

² SJL's revolving credit facility enables it to borrow an additional amount equal to approximately \$500,000. However, SJL is unable to draw down those amounts, as such drawdown would be in violation of its liquidity covenant under the facility. The amount of debt (principal and interest) outstanding under the facility as of May 31, 2006 was \$9,078,609.

Consequently, SJL does not currently have a source of funds to finance the build out of WICU-DT's Paragraph 78 Facilities.

Due to prepayment restrictions, SJL is unable to refinance its current credit facility until February 2007. SJL has begun efforts to find a new lender and anticipates that it will be able to refinance its existing credit facility by or shortly after February 2007 to provide sufficient funds for WICU's DTV construction.

In addition, in February, 2005, SJL requested that the Commission grant authorization for WICU to "flash cut" to full-power digital operations on its current analog channel (channel 12) in accordance with the provisions of paragraphs 89-97 of the *Second DTV Periodic Review Report and Order*. That request remains pending. In adopting those flash cut procedures, the Commission recognized "the greater potential for wasted expenditures in DTV facilities built in the 700 MHz band."³ For WICU-DT to construct Paragraph 78 Facilities on its assigned DTV channel (channel 52) would represent just such a waste of expenditures, since WICU-DT would have no chance to remain on channel 52 post-transition.

If its flash cut request is granted, WICU-DT will not be required to construct full DTV facilities on channel 52 at all, but instead will construct DTV facilities on channel 12 when it is actually prepared to flash cut to digital operations on channel 12. It therefore would be inconsistent with the rationale of allowing stations to flash cut if the Commission were to require WICU-DT to complete build out of substantially full DTV facilities on channel 52, and then grant the station authorization to flash cut. WICU's pending flash cut request provides further reason why WICU-DT should not be penalized for failure to build Paragraph 78 Facilities by the July 1, 2006 deadline, and why the waiver requested herein should be granted.

As described above, SJL will not be able to complete construction of Paragraph 78 Facilities by July 1, 2006. Therefore, pursuant to paragraph 87 of the Commission's *Second DTV Periodic Review Report and Order*, SJL hereby requests a six-month waiver of the July 1, 2006 interference protection deadline for WICU-DT.

SJL also hereby requests that the STA be extended for an additional six-month period to enable WICU-DT to continue to operate until the facilities authorized under its construction permit are completed.

SJL certifies that (i) the requested STA facilities are in compliance with the FCC's rules, including the community of license coverage requirement and the FCC's policy on RF radiation and (ii) the predicted signal coverage of the requested facility does not exceed the predicted signal contour in the DTV Table of Allotments. Thus, grant of the requested extension of STA is consistent with FCC rules and in the public interest, convenience and necessity because it will permit WICU to continue to provide DTV service to Erie, PA.

³ *Second DTV Periodic Review Report and Order* at para. 95.

June 30, 2006

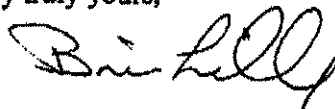
Page 3

SJL hereby certifies that neither it, nor any of its members, officers or directors is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

Enclosed is a check payable to the Federal Communications Commission in the amount of \$150.00 to cover the requisite filing fee, and an FCC Remittance Advice Form 159.

If there are any questions about this request, please contact counsel for SJL, David D. Burns of Latham & Watkins LLP, at (202) 637-2251.

Very truly yours,



SJL of Pennsylvania License Subsidiary, LLC

BY: Brian M. Lilly

ITS:General Manager

cc: WICU Public File

David Burns

Shaun Maher
Federal Communications Commission
Room 2-A820
445 12th Street, SW
Washington, DC 20554